

# BANK NATIONALISATION—

## AIMS AT SERVING THE AGGREGATE INTEREST OF CAPITALISM

The Banking Companies (Acquisition and Transfer of Undertakings) Ordinance, 1969, promulgated on 19th July last has become an Act of Parliament. By this Act fourteen major Indian banks have been nationalized. The foreign banks operating in our country and the Indian banks with deposits of less than Rs 50 crore have, however, been left untouched. The Indian people have, for a long time, been conducting movements for nationalization of the entire banking industry, including all banks, Indian and foreign. The Act, therefore, falls far short of the popular demand.

Some bank-employees have hailed July 19, 1969, as "a Red-Letter day in the post-independence history of our country." The C. P. I. and some other left parties in our country, on the question of bank-nationalization, are eulogizing Indiraji as progressive and have urged upon our people to rally round her. The C. P. I(M) also is travelling on the same path under cover of different words and phrases only to establish their make-believe story that they are not on the same line with the "revisionists." These parties by this act have not only expressed their political bankruptcy but also exposed themselves in their true colours.

Dialectical materialism teaches us to see things in their entirety, in their inter-connection with and inter-dependence on every other things and not in isolation as separate self-sufficient entities. Nationalization of fourteen major Indian banks, therefore, can not be judged separately and in isolation from the general political line of the ruling Indian bourgeoisie. The so-called Communists in our country should do well to realize that it is one thing to support the demand for nationalization of banks and other key and basic industries by the toiling millions engaged in fierce revolutionary struggle for emancipation from the yoke of capitalist exploitation while it is quite a different thing to hail an act of the bourgeoisie nationalizing them. "For in a capitalist state when the bourgeoisie takes recourse to nationalisation, it does so

*in the aggregate interest of capitalism precisely to bring about a coalescence of monopolies with the state and thereby virtually subjugating the state to the interest of the monopolists. In this way the rock-bottom foundation stone of fascism is laid." (Extracts from the C. C. resolution of our party on bank nationalisation, dated 30.8.69.)* So, it cannot be the business of any progressive party or individual, not to speak of the revolutionaries, to extend support to or praise the act of nationalization of fourteen major Indian banks in our country by the Indian bourgeoisie. On the contrary, it is high time that a note of caution should be sounded to the working class and other sections of the toiling masses that if they fail to step up their revolutionary struggle, overthrow the bourgeoisie and capture statepower,

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# Proletarian Era

ORGAN OF SOCIALIST UNITY CENTRE OF INDIA

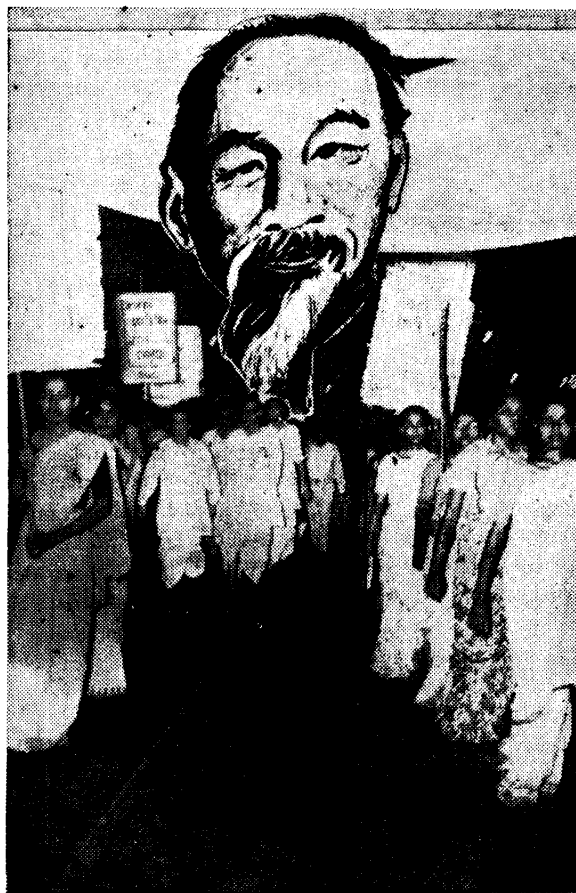
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## RED SALUTE TO COMRADE HO-CHI-MIN

### CONDOLENCE MESSAGE OF THE CENTRAL COMMITTEE OF S. U. C. I.

Comrade Shibdas Ghose, General Secretary of the Central Committee of the Socialist Unity Centre of India, on behalf of the party, the working class and the people of India expresses deep grief and heart-felt condolence at the passing away of the Great International Communist Leader Comrade Ho-Chi-Min. It is an irreparable loss to the world Communist movement and particularly to the liberation struggles not only of Vietnam but also of the people all over the world. He requests to convey this message to the Vietnam Workers (Communist) Party, Government of Democratic Republic of Vietnam and the Vietnamese people.

# CENTRAL INDUSTRIAL SECURITY FORCE—

## A sinister move of the Centre to suppress legitimate trade union movement

On 31st August a big meeting was held at Lal Maidan in Durgapur under the auspices of C.P.I., S.U.C., Forward Bloc, R. S. P. and Worker's party with the notable exception of C. P. M. the major and 'responsible' partner of the U. F. to voice protest and indignation at the introduction of Central Industrial Security Force in the entire industrial zone of Durgapur. Such a vicious move of the Central Government is designed to crush the legitimate trade union movement of workers and other employees of the area by strengthening the hands of the management against the workers there. This is not only an infringement on the basic democratic right of the workers to organise movement against injustice on them by the management, but a blatant encroachment on a sphere of activity which is solely the responsibility of a State Government.

It is naturally expected that the present U. F. Government in West Bengal in observance with its declared policy of expanding its own autonomous power in the interest of the people of this State will launch a vigorous movement to frustrate this dangerous move of the Centre.

In a capitalist society, whatever might be the form of ownership of the various productive forces, the production relation essentially remains the same. The capital-labour relationship is the guiding factor of production and the workers everywhere remain enslaved and exploited. The workers in factories or farms, in private-owned industries or government undertakings who create almost all the wealth enjoy very little opportunities to live on. Those socialists and so-called communists who believe that in public sectors, the workers are in better world to fulfil their dreams, and the programme of nationalisation of the various industries is an embodiment of the will of the working class, must rethink and judge the position of workers there. The salvation of the working class is nowhere

nearer to realisation through nationalising the industries in a capitalist state. Even the reverse thing happens and increasingly more obstacles are put on the path of legitimate struggle of the working class, on the plea of 'national interest' and 'industrial peace' in the nationalised sector.

The introduction of Central Industrial Security Force is a continuation to all the earlier draconic measures adopted by the ruling capitalist class in order to suppress the organised resistance of workers against it. The Essential Service Maintenance Act, the Industrial Disputes Act etc. all point out vividly the real class intent that these measures were prepared to serve. The word 'national interest' gets wrongly mixed up with these measures in order to create confusion among widest sections of workers, constituting the major part of the nation—whose very interests it tries to destroy. The present deplorable move of the Centre to employ armed constabulary to intimidate and disorganise the workers and to suppress their legitimate movements for realisation of even general democratic demands has

triggered off spontaneous resentment and disapproval of workers of Durgapur. The workers correctly realised that the introduction of this armed force would only set aside the very limited democratic rights that they still continue to enjoy. This vicious scheme has empowered the authority of the State undertaking to mobilise this force against workers and employees quite arbitrarily, declare any strike as illegal, prohibit rallies and demonstrations within the notified area and above all to arrest any worker without any issue of warrant. Not only the authority in the public sector, but even the private employers of ancillary and nearby industries can use this force against workers without any hindrance. This is to speak plainly, a shameless act on the part of the Central Government

### Biplab Sen

to give a protective shield to the ruling capitalist clique against the mounting offensive of the workers.

The toiling people of Durgapur could not naturally welcome this Central move which will further cut them down. The local units of the various partners of the U. F. who are moving with the masses could not remain an idle spectator but felt it their bounden duty to give concrete shape to the rightful indignation of workers in the form of meetings and movements. Their attempt to unite the entire workers and employees of Durgapur on this issue and develop a mighty storm of movement so as to forestall this anti-people move of the Centre reflects the necessity to fight the Centre on some real issues for

safeguarding the democratic rights of the people.

The curious abstention of C. P. M. leaders and workers of Durgapur from organising the meeting held on 31st. August which ventilated the workers deep anger against the impending move of the Centre, could not but shock the entire democratic sections of people of this State. What compelled them to dissociate themselves from mobilising the workers unitedly is beyond comprehension. The plea that the local U. F. Committee which convened the meeting was not a proper body, as it was formed below the level of a district, contrary to the decision of the U. F. not only smacks of falsehood but is very absurd in content. Perhaps the historical lesson of present day democratic struggle that in order to develop a movement, the entire working people should be united and organised in committees at all levels for launching protracted and deep-going democratic mass movements was not conceived at all in the interest of furthering their petty sectarianism. The workers of C. P. M. should realise that instead of advancing the cause of struggle of the workers in defence of democracy and legitimate struggle such narrow attitude on their part would only disintegrate the fighting workers and deaden their will to fight.

It is necessary to relate the political background which prompted the Congress leaders at the Centre to plot out the scheme for throttling the worker's movement. Since the last general election, the Congress ceased to have its absolute sway over a number of States in India and

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# It is one thing to support the demand for nationalisation by the toiling millions while it is a different thing to

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the nationalized industries will be a constant source of more ruthless exploitation. The workers and other exploited masses of the people should, therefore, close up their ranks and be more vigilant against the possible counter-revolutionary offensive by the Indian bourgeoisie under various cloaks of so-called radical Social-Democratic measures.

Over and above this danger, the toiling people, particularly the workers of the nationalized industries have to face other difficulties in the matter of conducting day-to-day movements against the management of these industries for the realization of general democratic demands. For example, police more readily helps the management of the nationalized industries and more ruthlessly suppresses the fighting workers there. Attention can be drawn to the fact that a Central ordinance was promulgated in order to throttle the voice of the Railway and other Central Govt. employees on the eve of their strike. The bogey of safeguarding national interest can more conveniently be raised in nationalized sector of industries, unconscious backward section of the people befooled and public opinion created against the workers' struggle there.

The people are seeing every day that capitalism to-day is crisis-ridden, chaos-discredited. It is bringing crisis after crisis, guaranteeing fabulous profit to a handful of millionaires at the cost of the people, keeping unemployment, hunger and grinding poverty lasting, and enslaving the people of other countries in its bid to swell the bank-balance of a few monopolists, and, above all, plunging the world periodically into blood bath. A social system, that is responsible for all this, has no doubt outlived itself. The continued existence

of a system, which has outlived social utility, stands as a stumbling block against further progress of society. Hence the present capitalist system must be replaced by a socialist system. The people will then have real power to mould their life according to their own wish. The demand for nationalization of the banking and other key and large-scale industries by the workers and other sections of the people engaged in the struggle for overthrowing the existing bourgeois order is a recognition of the necessity of attaining "another step preliminary to the taking over of all productive forces by society itself", which they themselves will have to do after overthrowing the bourgeoisie from power for the establishment of socialism. Considered from the point of view of the tasks to be completed by the people under the leadership of the working class after the revolution for establishing socialism, nationalization of the banking and other key and large-scale industries under a capitalist state is generally considered an economic advance. *Secondly*, if the banking and other key and large-scale industries are nationalized, the working class and other sections of the people get better opportunity of learning through their own experience, while conducting day-to-day movements for the realization of ordinary democratic demands, that the state is neither supra-class nor neutral in the struggle between the exploiting bourgeoisie and the exploited people as the bourgeois Press, publications, intellectuals, etc. propagate, but, on the contrary, it is a definite instrument of oppression of the capitalist class against the exploited people. Identification of the aggregate interest of capitalism with that of the state, subjugation of the state machine to the mono-

polies, becomes more naked and evident through nationalization, which, however, given correct political understanding on the basis of Marxism-Leninism, can be taken advantage of by the revolutionary working class party in dispelling illusion about the class-character of the state and revolutionizing the masses ideologically and politically, while in case of privately owned industries the state succeeds, to some extent, in posing as a neutral arbiter in the struggle between the exploiting class and the exploited people and concealing its real class-character. This posture of neutrality creates illusion

ments by the workers, coming under one employer etc. are also there.

It should, however, be mentioned that the parties, that have openly expressed the view that after nationalization of fourteen major Indian banks facilities of bank credit will be so provided as to remove "regional imbalance", help the poor peasants and middle peasants with credit facilities at easy terms and give the "economically ruined" small *entrepreneurs* a fair deal, are building castles in the air. There is no ground for such optimism. The investment-policy of the state-owned State Bank of India and the Life

## support a bourgeois move

about it in the mind of the politically immature sections of the people. *Thirdly*, the privately owned banks and other key and large-scale industries utilize their resources according to the interests of the individual capitalists, who control them, more often than not, in anti-social speculative acts (banks in our country have been responsible for advancing loans and other forms of credit to the speculators engaged in hoarding, cornering and black-marketing commodities essential for daily use, like food, baby-food, medicines, etc.) to the intensification of the sufferings of common men. Nationalisation of the banking and other key and large-scale industries will create the pre-condition for intensifying the democratic movement of the masses against big foodgrain-dealers, jotedars, hoarders and the capitalist state and thereby reduce to a degree the anti-social speculative acts of private entrepreneurs. *Fourthly*, the advantages of organizing and uniting the workers on the basis of an industry and of conducting industry-wise move-

Insurance Corporation of India ought to have served as an eye-opener to them. Besides whatever might be the changes in the organisational set up of the nationalised banks, the fact is that the capital-labour relationship and the capitalist law of maximum profit still remain and continue in force, in spite of its take-over from the private monopolists. The bank employees also instead of being freed from the oppression of big business are likely to be subjected to more ruthless exploitation in the new condition of state control as in other government undertakings. Furthermore, this statisation of banking industry will by no means deter the growth of monopoly in our national economy as fondly hoped in many political circles. It on the other hand will further accentuate the growth of monopoly through state backing. For example, out of total L.I.C. investments in the private sector of Rs. 212 crores (the amount which stands on March 31, 1969) 75 monopoly groups received about 64%

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# A STUDY OF THE PRESIDENTIAL ELECTION IN RETROSPECT

There has been sharp rift within the ruling Congress Party centering round the last Presidential election. Mr. Giri has been elected President of India with the support of the leftists and most other non-Congress Parties along with the support of a big section of the Congressites. In the circumstances where the main contest was limited between Mr. Giri and Mr. Reddy and there was no leftist sponsored candidate, people would naturally prefer Mr. Giri to the candidate of the syndicate group and accordingly they hailed Mr. Giri's victory.

But the significance of the victory of Mr. Giri is to be understood in its proper perspective. The working class party can take full advantage of the rift within the ruling Congress camp and establish its leadership on the masses only when the nature of the rift is correctly understood. But the attitude of the big left parties shows serious lack of proper understanding of the present political situation and the general masses of people are made victims of worst type of confusion. In this game apart from other Social Democratic parties, both C. P. I and C. P. I (M), are to be held responsible. According to C. P. I. the present conflict is nothing but the conflict between the right reactionaries and progressive forces and as such they are trying to corner the reactionary group by strengthening the hands of Mrs. Indira Gandhi. But they fail to understand that by doing so they are ultimately helping the establishment of Social Democratic leadership of Mrs. Gandhi's camp, which is aimed at consolidating monopoly capitalism. To call the present rift within the Congress as a conflict between reactionary and progressive force is an absolutely wrong analysis of the complex political situation in this country. The present rift within the Congress is not between the progressives and the reactionaries but in reality it is the reflection of conflict of the conservative

section of the bourgeoisie representing the individual interest of monopolists and the so-called radical section of the bourgeoisie representing the aggregate interest of capitalism. The tussle between these two interests started after independence, because Indian bourgeoisie resorted to planning to eliminate chaos in production in capitalist economy in their desire to build up India into a powerful capitalist country in this period of moribund capitalism. As a result the interest of any individual capitalist or a group of capitalists is made subservient to the aggregate interest of capitalism. The recent rift within the Congress is nothing but manifestation of this contradiction in the political sphere in more acute form. So C. P. I's line of thinking will objectively help in the consolidation of Indian capitalism under the leadership of Mrs. Gandhi to the detriment of the interest of common people.

If C.P.I.(M)'s attitude is analysed it will be clear that there is no fundamental difference between the line of C.P.I and that of C.P.I(M). It is a fact that C. P. I(M) has not termed the present rift within the Congress in the same language with the C.P.I. as the conflict between the reactionary and the progressive forces, but neither have they specified what actually it represents. On the contrary in their Politbureau resolution

it is stated that the victory of Mr. Giri is the "victory of the democratic movement of the people" against extreme reaction. In the same resolution the nationalisation of banks has been declared a "forward measure" and Mrs. Indira Gandhi has been assured of "critical support" to "every progressive measure" like the nationalisation of banks. This attitude of C. P. I(M) does not fundamentally differ from the revisionist C. P. I and as a result the C. P. M leadership is in an unenviable position to the ordinary rank and file of the party. Mr. Rajeswar Rao, General Secretary of C.P.I, in his article in *New Age* on 31st August hailed the Politbureau resolution of C. P. I(M) and according to him there remains no fundamental difference between these two parties after the Politbureau resolution of

## R. K. B.

C.P.I(M). It has been our considered opinion that there has never been any fundamental difference between C. P. I and C. P. I(M), the difference in political vocabulary and way of expression notwithstanding. The recent revisionist approach of the Politbureau resolution once again confirms our standpoint. The leaders of C.P.I(M) has as such been very vocal to condemn the C.P.I's line to show their revolutionary character only to hoodwink the ordinary party comrades. How long the ordinary members of C. P. I(M) will extend blind allegiance to this pseudo-revolutionary leadership and be swayed by their fiery speeches?

According to R. S. P the present rift within the Congress is nothing but the factional fights and this can be easily patched up as both the groups belong to the same bourgeoisie. It

is true that the two groups can patch up and has actually done so; but the working class party has a role in sharpening the rift within the Congress and thereby tilting the balance in its favour and establishing its hegemony on the people by exposing the opposing factions of the Congress party. But it can be predicted with certainty that inspite of this show of definite militant posture, R. S. P. will not hesitate a moment to rush to join any alternative Government that might be formed with Indira group after 1972 election, without any precondition on the very plea of engulfing the rift within the Congress. Such is the opportunistic line of R. S. P.

S.U.C. was demanding the setting up of an alternative candidate in the Presidential election, to be sponsored by the leftist parties. It would not have been very difficult to find out a candidate whose political honesty is beyond doubt and who has unshakable faith in democratic movement. Whether the candidate would be victorious or not is not the basic question. The basic issue is that by sponsoring an alternative candidate the rift within the Congress would have been sharpened and an alternative left leadership and left politics would have captured the imagination of the people throughout the length and breadth of the country. Had this been possible people would have been made free from the confusion existing today in the Indian political plane. Unfortunately this correct course of action was not adopted by the major left parties and again they utterly failed to give a correct exposure of the significance of Mr. Giri's victory and the consequent possible danger of Social Democracy on the basis of which the chance of emergence of fascism exists. Masses of people are thus confused and this is definitely a setback to the cause of revolutionary movement in India. It is, therefore, high time that people must come forward and unmask these pseudo revolutionary parties which are leading practically all the democratic movements to failure and frustration and rally round the real revolutionary party—the S.U.C. I. This brooks no delay.

## Approach to the formation of United Front adopted in a meeting held on 16.8.69 of the State Committee of Socialist Unity Centre of India

A Capitalist Government was set up in the year, 1946 to handle a capitalist state machinery to serve a capitalist economic system. With the passing of time economic, political, administrative and cultural exploitations of the people have gradually intensified. Miseries of the people have reached intolerable dimensions. Under the circumstances it is quite clear that unless this capitalist system of exploitation is destroyed there can be no lasting relief in the lives of oppressed people of India.

While every effort should be made to organise the oppressed people of the country and wage a protracted battle against the ruling capitalist class, it, at the same time, must be admitted, that it is an imperative necessity to dislodge the Congress Govt. from power and break the reactionary alliance it has forged during its prolonged rule, with the capitalists, big business, jotedars, police, top bureaucrats and other vested sections of the society. It goes without saying that the formation of this axis has not only intensified the exploitation of the people but also it is endangering the limited democratic rights of the people.

Under such circumstances when definite desire of the people for dislodging the Congress Government from power has strongly manifested itself, it is imperative on our part to take full advantage of the situation, form leftist alliance to dislodge Congress from power wherever it is possible and to form alternative Government in order to advance people's ultimate struggle for emancipation from the yoke of capitalism. If voted to power, the U.F. Govt. shall carry out the relief measures (attainable within the framework of the existing Constitution) on the basis of popular movements and in such a way as to advance the cause of ultimate struggle for socialist revolution.

The people of Assam, too, have been completely disillusioned about the Congress rule. This disillusionment clearly manifested itself in the 1967 general election and has been revealing itself in sporadic movements of the people in different parts of the State. Owing to disunity amongst the leftist forces nothing tangible could appear out of it. Therefore it is our considered opinion that the leftist parties of the State must endeavour to form a leftist Government whenever opportunities present themselves. This Government should have an unanimous programme before it which, notwithstanding deeper ideological differences, amongst the constituent parties should be faithfully implemented. Formation of an United Front comprising of the leftist parties of the State having a clear cut programme of action and with a pledge to fight for the implementation of this programme within the legislature, in power or out of power is the first step towards it.

To ensure the defeat of Congress this United Front should consist of other democratic organisations and individuals tested through their regular participation in democratic movements. The inclusion of these bodies in the proposed U.F. must be preceded by their active participation in intense mass movements on popular

issues to be sponsored by the Front itself. In our opinion announcement of the formation of the United Front brooks no delay; launching of democratic movements on popular issues is very urgent. Moreover immediate formation has many advantages viz (i) It will bring renewed confidence in the minds of the intelligentsia (ii) the wave of

this democratic movements will reach those areas where democratic movements are weaker (iii) this movement having enjoyed the support of the enlightened section will help the growth of leftist leadership and at the same time gradually minimise the unholy influences of other non-Congress reactionary individuals and parties.

### Some of the salient points included in the programme of action are as follows :

#### (1) For Industrialisation.

(i) Formation of a high powered economic commission to assess the economic potentiality to find out economic sources to start new industries mainly under state sector to fulfil the economic requirement of the people of Assam. The Central Government must be made wholly responsible for provision for necessary financial and other assistances for the development of medium sized, small scale industries to meet fully the need for socially required consumer goods. This economic commission will suggest specific measures for speedy uplift of the hill district economy.

(ii) To nationalise without compensation all the (a) tea Estate, Plantation industries (b) all Foreign-owned industries and in this way to create greater opportunities for employments and to create investable surplus.

#### (2) Development of Agriculture.

(i) Equitable distribution to the landless peasants of all lands to be recovered from imposing effective land ceilings: Opening of forest reserve and releasing surplus land from the occupation of the big plantation holders and from recovery of Benami lands, Devattars etc.

(ii) To relieve the poorer section of the peasantry from

the burden of heavy debt arising out of non-payment of land revenue; lower rate of land revenue in their cases.

(iii) Effective measures for meeting the agricultural credit requirement of the peasantry.

(iv) Legislation for fixation of minimum wage for the agricultural labourers, effective legislation to stop eviction and to prevent land being mortgaged and sold by the poorer peasant, scientific measure for intense cultivation, creation of huge agricultural surplus production so that food trade with other States is possible on profitable and reasonable basis.

(v) Abolition of land revenue for the poorer section of the peasantry.

#### (3) Food Policy.

(i) Complete state trading of food and other essential commodities (both wholesale and retail).

(ii) Guarantee of remunerative prices for all agricultural products.

(iii) Undertaking of prompt relief measure in famine condition.

(vi) Strict measure against speculation, profiteering, and hoarding.

#### (4) Administrative and taxation policy.

(i) Less dependence upon bureaucracy and more dependence on people's organised

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## Bankruptcy of the politics of C. P. I. & C. P. I. (M)

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of the total (People's Democracy, dated May 25, 1969.)

A kind of spurious socialism, which declares *all* state-ownership in a capitalist system as socialistic, has been in existence in our country for some time. After nationalization of fourteen major Indian banks this rotten idea has gained more currency. Not only the Congressites and Social Democrats but also some so-called Communists in our country are pedlars of this spurious socialism. Some of these theorists have attempted to pass on nationalization of fourteen major Indian banks here as socialization. Is it really so? Certainly not. Because, state-ownership *ipso facto* does not presuppose socialization. Every social formation rests upon a corresponding definite basis of production. Feudal society rests upon commodity production based predominantly on feudal relations of production. Capitalist society rests upon commodity production by *wage-labour* for *maximum* profit. Socialist society on the other hand, rests upon an altogether fundamentally different basis of production, where social ownership of the means of production and satisfaction of social needs are respectively the relations of production and the motive force of production. Socialization presupposes the existence of this socialist basis of production in a working class state; without this basis there can be no socialism. So, the taking over of an industry by a capitalist state (in this case nationalization of fourteen major Indian banks) is not socialization. Let alone socialization, capitalist relationship is only strengthened by the taking over of industries by a capitalist state, i.e., by nationalization of industries under capitalism. Engels, as far back as 1878, exposed the hollowness of the idea of spurious socialism

referred to above in the most unambiguous terms in his **Anti-Durhing**. He wrote: "But the transformation, either into joint-stock companies and trusts, or into state ownership, does not do away with the capitalistic nature of the productive forces. In the joint-stock companies and trusts this is obvious. And the modern state, again, is only the organization that bourgeois society takes on in order to support the general external conditions of the capitalist mode of production against the encroachments as well of the workers as of individual capitalists. The modern state, no matter what its form, is essentially a capitalist machine, the state of the capitalists, the ideal personification of the total national capital. The more it proceeds to the taking over of the productive forces, the more does it actually become the national capitalist, the more citizens does it exploit. The workers remain *wage-workers*—proletarians. The capitalist relation is not done away with. It is rather brought to a head. But, brought to a head, it topples over. State ownership of the productive forces is not the solution of the conflict, but concealed within it are the technical conditions that form the elements of that solution." (Part III. Socialism. II. Theoretical. Page 384). The ownership of an industry by a capitalist state, thus, is not socialization. Establishment of social ownership of the means of production through the dictatorship of the proletariat in a socialist state is socialism. Had state ownership as such meant socialization, regardless of the character of the state, which takes over the industry, then Napoleon and Matternich would have to be numbered among the founders of socialism for the taking over of the tobacco industry, the nationalized industries in Germany and Italy under

Hitler and Mussolini as also the state-owned post offices, telegraphs and railways in our country under British imperialist rule would have to be recognized as socialist institutions. None but an agent of the imperialists capitalists considered them so. Nationalization of fourteen major Indian banks in our country is, in no sense, a socialist measure, as the Congressites, Social-Democrats and some so-called Communists are saying.

If nationalization of fourteen major Indian banks is not a socialist measure in any sense, what then is it? We have already given a reply to this question. It is a positive measure by the Indian bourgeoisie to bring about a coalescence of the monopolies with the state and thereby subjugating the state to the monopolies in the aggregate interest of Indian capitalism, as means to stave off the mounting crises and consolidate the capitalist rule in our country.

"In the changed situation distinguished by absence of relative stability of capitalist market and faced with ever increasing internal and external antagonistic contradictions, the powerful capitalist countries find it impossible to get over their crisis otherwise than by an all out concentration of capital and thereby enhancing their power of competition in the field of international trade. As such centralization of capital is assuming unprecedented dimensions; the development of monopoly capital into state monopoly capitalism is being accelerated; the interests of the monopolists are, more commonly, being identified with the interests of the state. But this is exactly the rock bottom foundation stone of fascism."

(Quoted from Art. Call of the Hour, Socialist Unity, V. 1, No. 1. July 1, 1962. Page 13.)

The policy of regulation and control of industries and of planning by the Indian capitalist state means the curtailment of the freedom of the individual capitalists to compete. But that is being done by the Indian capitalist state in the aggregate interest of the Indian capitalist class. The aim of this policy of regulation and control of industries and of planning is, to state briefly, to reduce to the least possible extent the antagonistic contradictions between the individual capitalists, by curtailing their individual freedom to compete with one another for market, prevent the whimsical and anarchic growth of the individual capitalists, pool the total strength of Indian capital, set up at public cost heavy and key industries, which the individual capitalists, in the interest of strengthening the economic and military base of the Indian capitalist state, were required to establish but which the later have not done for relatively low rate of profit, which these industries pay at the initial stage compared to the consumer-goods-producing industries, achieve fusion between private monopoly capital and state capital through state loans to privately owned industries and then converting the loans into share-capital or through the establishment of enterprises under **joint ownership** of the state and individual monopolists rapidly develop India as an economically and militarily powerful capitalist country.

The Indian bourgeoisie through nationalisation of fourteen major Indian banks is trying to achieve greater coalescence of the monopolies with the state machine and thereby to ensure more and more identification of the state with the interests of the monopolists as means to consolidate its position and save the capitalist economy from collapse.

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## NATIONALISATION IS NOT SOCIALISATION RATHER IT LAYS THE ECONOMIC FOUNDATION OF FASCISM

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The fusion of private monopoly capital with state capital gives birth to state monopoly capital, which as has been already mentioned, is the rock-bottom foundation stone of fascism. This foundation stone has long been laid in our country and fascism has already made deep inroad in our country. Nationalization of banks will strengthen that foundation stone and help fascism to make deeper inroad. It must, however, be mentioned that ours is a relatively capitalistically less advanced country compared to the capitalist countries of the West. Here small production is very very widespread. It has still a significant role in the total economy of the country, a role which will continue for many more years to come. Small production engenders local and narrow bourgeois interests, creating obstacles in the path of rapid development of fascism, which is wedded to protect aggregate interests of national capital. In our country also small production with local and narrow bourgeois interests is creating difficulties for fascism to develop as rapidly as it desires to develop.

In passing, one thing must be clarified. It is very often argued that the danger of fascism comes from right reaction. Those, who argue thus, mean conservatism by the term, right reaction. The so-called communists both C.P.I. and C.P.I.(M) in our country are protagonists of this idea. This idea is absolutely wrong. Fascism has never grown anywhere nor can it grow and develop from conservatism. For, fascism requires for its growth and development mass-backing. It is impossible to enlist the support of the masses of the people unless their imagination can be captured. Conservatism has no attraction to the

people; it expresses out-moded back-dated outlook of a discredited class or a section of that class hated by the mass of the people for its naked and blunt advocacy for safeguarding vested interests and unjust old privileges of a fortunate few. Besides conservatism, which reflects individual monopoly interests, cannot reflect the aggregate interest of capitalism, which fascism defends. To attract the people, a radical cloak is necessary. Fascism puts on this cloak of radicalism through socialistic promises. Conservatism cannot do it. Besides, fascism bases itself in the garb of national interests, on national jingoism, class-harmony and the so-called need of union of all classes and on hostility to scientific socialism. In this respect it is much nearer to Social-Democracy than to the conservatives, protagonists of free enterprise. And, in fact, historically speaking, conservatism never and nowhere has given birth to fascism whereas it is Social-Democracy, within whose womb fascism has been born in the past, in all the fascist countries, be it Italy, Germany, Austria or any other country. This is true not only for pre-war days; it is more true now. Social-Democratism is the last prop of capitalism in the present era of disintegration of imperialism and of the proletarian revolution and fascism has been the general order in all the capitalist countries now. Our leader and teacher, Comrade Shibdas Ghosh, has very correctly observed: "*Once fascism came out of the womb of Social-Democratism; now Social-Democratism is the last pillar of fascism.*" (*Gandhisim—Ideological base of fascism in India* published in 1949) It is, of course, true that fascism presents no stereotyped form. It has assumed different forms in different countries to suit

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## DEFEAT THE CENTRE'S CONSPIRACY FOR CURBING THE STATE'S RIGHTS

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non-Congress Governments came into existence, thus giving a severe blow to the ruling capitalist class. The change in the political fabric of the nation as a result of election drove the capitalist class to find out new ways of suppressing the people and their legitimate movements. The first U. F. Government in West Bengal, on assumption of office made a historic declaration, that in the sphere of administration the U. F. shall not allow the police to interfere in legitimate democratic movements on the plea of maintaining law and order. This outstanding policy, contributed solely by our party, for the benefit of working class mass movement characterised the U. F. Government of this State and posed it differently from the other non-Congress Governments in different States. The ruling capitalist class and its henchmen, in order to defeat this revolutionary policy of the U. F. and pull down the popular U. F. Govt. contrived all sorts of intrigues and mounted offensive on a high scale. The new role of the police force as declared by the West Bengal United Front and effective implementation of this major policy of preventing police interference, specially in the field of labour movement, which enthused the workers unprecedentedly and built up their striking power against the reactionary camp, prompted the ruling class to formulate this heinous scheme of posting the Centre Industrial Security Force for 'protecting' the Central undertakings bypassing the authority of the State Government. Thus the ruling class, being handicapped due to the formation of a non-Congress Government of a radically different

outlook in this State felt it inconvenient to use the State administration as before and initiated this move to create a parallel armed force, to be controlled by the Central authority in disguise with the precise purpose to attack the workers and suppress their movements for the realisation of democratic demands.

It is imperative that all the democratic organisations and individuals and specially the forces which strive to develop the working class movement in the State should realise the danger inherent in the scheme and mobilise the entire people to forestall it. The present U.F. Government of this State cannot but view it as a deliberate attempt on the part of the Centre to encroach on the jurisdiction of the State and further squeeze its existing power. Not only the democratic aspirations of the people, expressed through the installation of the U.F. in office in the mid-term election, have been trampled on, by this attempt to supersede the authority of the State but the machinations of the ruling class are gaining added momentum to crush the popular movements. The limited victory of the people achieved through routing the Congress completely in this State which are followed by certain radical measures for the benefit of the common people, has unnerved the ruling clique, which is now taking recourse to strange means to frustrate the genuine legitimate movements of workers and the toiling masses. It is high time that the U. F. as a whole should take the initiative in building up a powerful movement against the Centre and compel it to withdraw its move. There can be no illusion that the

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## Statement of the Central Committee of S.U.C.I. on Bank Nationalisation

The Central Committee of the Socialist Unity Centre of India has issued the following statement to the Press on nationalization of fourteen major Indian Banks in our country :—

"The Central Committee of the Socialist Unity Centre of India notes that the C.P.I. and some other left parties in our country, on the question of bank-nationalization, are eulogizing Indiraji as progressive and has urged upon our people to rally round her. The C.P.I.(M) also is travelling on the same track under cover of different words and phrases only to pose that they are not on the same line with the "revisionists." These parties by this act have not only expressed their political bankruptcy but also exposed themselves in their true colours."

"The Central Committee likes to point out that it is one thing to support the demand for nationalization of key and large-scale industries by the toiling millions engaged in fierce revolutionary struggle for emancipation from the yoke of capitalist exploitation while it is quite a different thing to support and eulogize an act of the bourgeoisie nationalizing them. For, in a capitalist state when the bourgeoisie takes recourse to nationalization, it does so in the aggregate interest of capitalism precisely to bring about a coalescence of monopolies with the state and thereby virtually subjugating the state to the interest of the monopolists. In this way the rock bottom foundation stone of fascism is laid. Hence, it cannot be the business of any progressive party or individual, let alone the revolutionaries, to extend support to or praise the act of bank-nationalization of the Indian bourgeoisie. On the contrary,

it is high time to sound a note of caution to the working class and other exploited masses of the people that if they fail to step up their revolutionary struggle, overthrow the bourgeoisie and capture state power, the nationalized industries will be a constant source of more ruthless exploitation. The Central Committee, therefore, calls upon the workers and other sections of the people to close up their ranks and be more vigilant against the possible counter-revolutionary offensive of the bourgeoisie under various cloaks of so-called radical Social Democratic measures.

"The Central Committee is of the considered view that the present conflict inside the Congress, centring the Syndicate-group and the Indira-group, is not a struggle between the monopolists collaborating with imperialism and the so-called "progressive national bourgeoisie", a close ally of "people's democratic revolution", or, in general terms, between reaction and progress. It is nothing but a reflection of the contradiction between the conservative section of the bourgeoisie representing individual interests of the monopolists and the so-called radical section of the bourgeoisie representing aggregate interest of capitalism. The correct stand, in this regard, would, therefore, be to take advantage of this contradiction, try to increase the rift between them and utilize it in developing mighty mass movements and accelerating the revolutionary preparation in our country."

## Bank Nationalisation

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local conditions. It is equally true that, in spite of this difference in form, fascism bears some common characteristics everywhere. These common characteristics are (i) economic centralization based on state monopoly capital, (ii) maximum possible concentration of political power in the hand of the state with more and more curtailment of liberal bourgeois democratic rights, which the people have so long used to enjoy even under capitalism, (iii) rigidity in administration—all these three characteristics leading to more and more identification of the interest of the monopolists with that of the state—and (iv) cultural regimentation by propagation of fascistic culture, which "is a peculiar fusion between spiritualism and science," in the words of Comrade Ghosh. In our country today these characteristics are visible. Nationalization of fourteen major Indian banks will make them more visible.

One more point and we finish. "The present conflict inside the Congress, centring the Syndicate-group and the Indira-group, is not a struggle between the monopolists collaborating with imperialism and the so-called "progressive national bourgeoisie", a close ally of "people's democratic revolution," or, in general terms, between reaction and progress. It is nothing but a reflection of the contradiction between the conservative section of the bourgeoisie representing individual interests of the monopolists and the so-called radical section of the bourgeoisie representing aggregate interest of capitalism. The correct stand, in this regard would, therefore, be to take advantage of this contradiction, try to increase the rift between them and utilize it in developing mighty mass movements and accelerating the revolutionary preparation in our country." Our people have to do it.

## Industrial Security Force

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capitalist class which dominates the society is coming into an open conflict with the policy of the U. F. Govt. The U. F. therefore, which has pledged to support and encourage the genuine struggle of the working class and other toiling people must mobilise the entire people to face this growing challenge of the ruling capitalist class which is trying to subvert the authority of the legally elected U. F. Govt., for suppressing the workers. In conclusion, will the C.P.M. leadership be good enough to answer where does the hullabaloo of anti-Centre campaign and their warm pledges to fight the Centre stand now?

## PROGRAMME OF ACTION ON ASSAM

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participation in the implementation of programme.

(ii) Democratisation of the administrative system.

(iii) Repeal of fascistic service rules for State Government employees.

(iv) Categorical declaration that one of the instruments of oppression of bourgeois class i. e. Police will not be allowed to interfere in the legitimate democratic movements of the people in the name of maintaining law and order and constant encouragement of legitimate democratic movements of the people without being inhibited by bourgeois sense of law and order.

(v) Harassment & torture of the innocent citizens of India in the name of driving out Pakistan's infiltrators must be stopped.

(vi) Driving out of foreign missionaries who are acting as the agents of imperialist countries. Constituents of the Front will have to give a categorical declaration about their non-alignment with the right reactionary parties such as "Jana Sangh" 'Swantantra' etc.

(vii) Shifting of Capital of the State to Gauhati : Requisite development of Gauhati.

The other important demands on flood control measures and health and health services were also included in the programme.